

BEFORE THE TENNESSEE REGULATORY AUTHORITY AT  
NASHVILLE, TENNESSEE

September 20, 2002

IN RE:

PETITION OF ON-SITE SYSTEMS, INC. TO AMEND ITS  
CERTIFICATE OF CONVENIENCE AND NECESSITY

)  
)  
)  
)  
DOCKET NO.  
02-00172

---

ORDER APPROVING PETITION OF ON-SITE SYSTEMS, INC.  
TO AMEND ITS CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

---

This matter came before Directors Deborah Taylor Tate, Pat Miller, and Ron Jones of the Tennessee Regulatory Authority (the "Authority"), the voting panel assigned to this docket, at a regularly scheduled Authority Conference held on August 19, 2002 to consider the Petition (the "Petition") of On-Site Systems, Inc. ("On-Site") to amend its Certificate of Public Convenience and Necessity ("CCN") to expand its service area to include an area known as the Goose Creek Area ("Goose Creek") in Williamson County, Tennessee.

**Legal Standard for Granting CCN**

On-Site's Petition was made pursuant to and was considered in light of the criteria for granting a CCN as set forth in Tenn. Code Ann. § 65-4-201, which provides, in pertinent part:

- (a) No public utility shall establish or begin the construction of, or operate any line, plant, or system, or route in or into a municipality or other territory already receiving a like service from another public utility, or establish service therein, without first having obtained from the authority, after written application and hearing, a certificate that the present or future public convenience and necessity require or will require such construction, establishment, and operation, and no person or corporation not at the time a public utility shall commence the construction of any plant, line, system or route to be operated as a public utility, or the operation of which would constitute the same, or the owner or operator thereof, a public utility as defined by law, without having first obtained, in like manner, a similar certificate . . .

### **Background**

On April 4, 1994, On-Site received a CCN in Docket No. 93-09040 from the Tennessee Public Service Commission to provide wastewater service to the Oakwood Subdivision in Maury County. Since that time, through various other dockets, On-Site has been granted approval to expand its service territory to include other areas in Tennessee.

### **Petition to Amend CCN**

On February 15, 2002, On-Site filed its Petition to amend its CCN to expand its service area to include Goose Creek. A map showing the area to which On-Site proposes to extend service is attached to its Petition. In its Petition, On-Site states that neither the H.B. & T.S. Utility District nor Williamson County has the desire or ability to provide wastewater service to Goose Creek. With its Petition, On-Site submitted a letter dated January 4, 2002 from Henry W. Hall, Jr., General Manager of the H.B. & T.S. Utility District, stating that the Utility District has no authorization to extend sewer service to Goose Creek. In addition, On-Site submitted a letter dated January 11, 2002 from Clint Callicott, County Executive of Williamson County, stating that Williamson County does not provide wastewater service.

On-Site filed a rate schedule with its Petition in this docket which states that residential rates for Goose Creek will be as follows:

Total monthly charge	\$36.58 (lagoon) or
Non-payment fee	\$40.71 (sand-gravel filter)
Disconnection fee	5% of monthly charge
Reconnection fee	\$10
Returned check fee	\$15
Access fee	\$20
	\$84/year

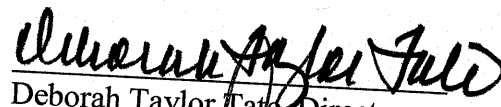
The Petition states that Goose Creek includes only residential customers; therefore, On-Site did not file any commercial rate schedules. The Petition includes a request for an increase in


On-Site's standard rate of \$35.11, which is due to a bonding requirement imposed by Williamson County. The County requires a performance bond equal to 150% of the construction value of the proposed system, to be in effect for at least ten (10) years.

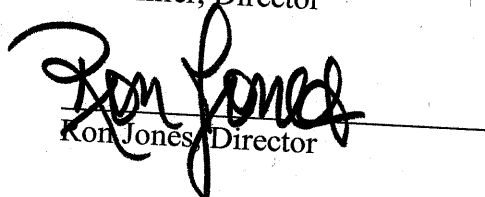
On August 19, 2002, On-Site's Petition came before the Authority at a regularly scheduled Authority Conference. Upon consideration of the Petition and the entire record, the Authority finds that the present and future public convenience and necessity require the approval of On-Site's Petition. The voting panel voted unanimously to grant On-Site's Petition and that in the event the bonding requirement imposed by Williamson County is removed, On-Site shall file a petition for a change in rates to reflect the removal of this requirement.

**IT IS THEREFORE ORDERED THAT:**

1. The Petition of On-Site Systems, Inc. to amend its Certificate of Public Convenience and Necessity to expand its service area to include an area known as the Goose Creek Area in Williamson County, Tennessee, as shown in the map attached to the Petition, is approved.
2. On-Site's rates for wastewater service to the Goose Creek Area shall be as listed in the rate schedule filed with On-Site's Petition and as set forth in this Order.
3. In the event the bonding requirement imposed by Williamson County is removed, On-Site shall file a petition for a change in rates to reflect the removal of this requirement

  
Deborah Taylor Tate, Director

  
Pat Miller, Director

  
Ron Jones, Director